

## FINANCE AND ADMINISTRATIVE SERVICES

The Finance and Administrative Services Department provides internal services including accounting, information technology, purchasing, mail and copy service, risk management, cash management and investment, tourism management services and citywide call center services.

### MISSION

The Finance and Administrative Services Department seeks to provide timely, accurate and relevant financial information to departments, provide innovative business solutions and protect city resources.

Operating Fund Expenditures by Category (\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	REVISED BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APPR 05/ EST ACT 04 CHG
Personnel	16,981	20,083	12,780	11,784	14,492	2,708
Operating	27,482	30,438	26,702	26,961	37,158	10,197
Capital	366	141	91	333	2,107	1,774
Transfers	3,708	5,412	1,710	1,720	7,807	6,087
<b>TOTAL</b>	<b>48,537</b>	<b>56,074</b>	<b>41,283</b>	<b>40,798</b>	<b>61,564</b>	<b>20,766</b>
<b>TOTAL FULL TIME POSITIONS</b>	<b>306</b>	<b>347</b>	<b>191</b>	<b>190</b>	<b>227</b>	<b>37</b>

### BUDGET HIGHLIGHTS

The approved FY/05 General Fund appropriation is \$7.9 million less than the approved FY/04 level. The creation of the Department of Municipal Development in FY/04 resulted in the transfer of 131 positions and \$12.1 million from Finance and Administrative Services to the department.

Oversight of the management contract of the Convention Center has been transferred to Finance and Administrative Services. This results in the addition of two new positions and \$2 million, which includes the costs of the management contract and associated utilities. The two new positions will also be responsible for the oversight of the Lodgers' Tax Fund and Hospitality Fee Fund, including compliance oversight for the Albuquerque Convention and Visitors Bureau, Hispano Chamber of Commerce and Indian Pueblo Cultural Center contracts. The cost of the two positions will be supported by revenue from the Lodgers' Tax Fund.

The Hospitality Fee Fund is a new fund established with the enactment of the 1% Hospitality Fee in FY/05. Half of the revenue from this fee will be used to support new debt to equip and furnish the convention center. The other half will be used for advertising that publicizes and promotes tourist-related attractions, facilities and events within the City.



The approved budget also includes a citizen services 311 call center. This results in the creation of 35 full-time and 22 part-time positions with a cost of \$1.9 million. Once fully operational, this call center will provide the citizens of Albuquerque with a single point of access to a wide range of City services, as well as diverting non-emergency calls from 911.

Other additions to the General Fund budget are \$133 thousand for fiscal agent fees in city-wide financial services and \$20 thousand for audit services in accounting. The increase in fiscal agent fees will enable the City to take better advantage of investment possibilities with interest earnings expected to exceed the increase in fees. New audit requirements result in the need for the additional \$20 thousand.

The City/County Projects Fund is restored to the FY/03 funding level of \$173,000. This is supported by revenue from the County. In FY/04 sufficient fund balance enabled a temporary increase of an additional \$100 thousand in appropriations.

The Risk Fund reflects an increase of \$3.5 million, which is due to an increase in the cost of workers' compensation claims. Other additions to the Risk Fund are \$16 thousand for computers and \$10 thousand for vaccinations.

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The Supplies Inventory Management Fund FY/05 appropriation decreases by \$56 thousand. The decrease is a result of savings from retirements and a reduction in indirect overhead costs.

There is a slight increase of \$41 thousand in the Communications Management Fund from the approved FY/04 budget. This increase is a result of funding an early retirement and the increase in wages and benefits.

There is an appropriation of \$2 million in the Vehicle/Computer Project Fund for FY/05. This is for the replacement of obsolete computers city-wide.

Four funds were moved from Finance and Administrative Services to the Department of Municipal Development in FY/05. These funds are the City/County Facilities Fund, the Plaza del Sol Building Fund, the Baseball Stadium Operating Fund and the Baseball Stadium Debt Service Fund. In addition, there were also General Fund program strategies transferred to the new department. The Capital Implementation program strategy and the City Buildings program strategy as well as transfers to the City/County Building Fund and Plaza del Sol Building Fund were transferred to Municipal Development. These funds can now be found in the Department of Municipal Development section.



(\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	REVISED BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APPR 05/ EST ACT 04 CHG
<b>PROGRAM STRATEGY SUMMARY BY GOAL:</b>						
<b>GOAL 6: ECONOMIC VITALITY</b>						
<b><u>GENERAL FUND 110</u></b>						
Tourism/Convention Center	0	0	0	0	2,041	2,041
<b><u>LODGER'S TAX FUND - 220</u></b>						
Lodger's Promotion - 220	0	0	0	0	4,130	4,130
Trfr from Fund 220 to Fund 110	0	0	0	0	133	133
Trfr from Fund 220 to Fund 405	0	0	0	0	5,097	5,097
Total Lodger's Tax Fund - 220	0	0	0	0	9,360	9,360
<b><u>HOSPITALITY FEE FUND - 221</u></b>						
Lodger's Promotion - 221	0	0	0	0	786	786
Trfr from Fund 221 to Fund 405	0	0	0	0	786	786
Total Hospitality Fee Fund - 221	0	0	0	0	1,572	1,572
<b>TOTAL - GOAL 6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>12,973</b>	<b>9,360</b>

### GOAL 8: GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS

<b><u>GENERAL FUND - 110</u></b>						
Accounting	2,505	2,679	2,679	2,636	2,665	29
Capital Implementation	1,794	1,942	0	0	0	0
Citizen Services	0	0	0	0	1,453	1,453
City Buildings	3,756	6,074	0	0	0	0
Citywide Financial Support Services	486	452	452	452	585	133
Information Services	6,470	7,334	7,339	7,139	7,570	431
Information Services - CIP	0	0	149	91	327	236
Purchasing	945	1,075	1,075	1,012	1,071	59
Strategic Support	275	362	362	360	317	(43)
Treasury	1,293	1,342	1,342	1,338	1,358	20
Transfer from Fund 110 to Fund 290	2,503	2,789	0	0	0	0
Transfer from Fund 110 to Fund 292	1,133	1,274	0	0	0	0
Total General Fund - 110	21,160	25,323	13,398	13,028	15,346	2,318

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(\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	REVISED BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APPR 05/ EST ACT 04 CHG
<b><u>CITY COUNTY FACILITIES FUND 290</u></b>						
City/County Building	2,511	2,806	0	0	0	0
Transfer from Fund 290 to Fund 110	86	86	0	0	0	0
Transfer from Fund 290 to Fund 435	1,200	1,200	0	0	0	0
Total City County Facilities Fund - 290	3,797	4,092	0	0	0	0
<b><u>PLAZA DEL SOL BUILDING OPERATING FUND 292</u></b>						
Plaza del Sol Building 292	625	723	0	0	0	0
Transfer from Fund 292 to Fund 405	568	571	0	0	0	0
Total Plaza del Sol Building Fund - 292	1,193	1,294	0	0	0	0
<b><u>BASEBALL STADIUM OPERATING FUND 691</u></b>						
Sports Stadium Operations & Maintenance	120	302	0	0	0	0
Transfer from Fund 691 to Fund 110	2	6	0	0	0	0
Transfer from Fund 691 to Fund 695	0	1,162	0	0	0	0
Total Baseball Stadium Operating Fund - 691	122	1,470	0	0	0	0
<b><u>BASEBALL STADIUM DEBT SERVICE FUND 695</u></b>						
Baseball Stadium Debt Service	480	0	0	0	0	0
Transfer from Fund 695 to Fund 405	0	1,162	0	0	0	0
Total Baseball Stadium D/S Fund - 695	480	1,162	0	0	0	0
<b><u>RISK MANAGEMENT FUND 705</u></b>						
Employee Health Services	218	271	271	247	0	(247)
Bonus Program	0	0	42	40	0	(40)
Safety Office	711	733	733	726	1,270	544
Substance Abuse Program	222	250	250	230	0	(230)
Tort and Other Claims	15,877	17,687	17,687	17,687	17,671	(16)
Workers' Compensation Claims	5,347	5,723	5,723	5,721	9,313	3,592
Transfer from Fund 705 to Fund 110	862	918	918	918	872	(46)
Total Risk Management Fund - 705	23,237	25,582	25,624	25,569	29,126	3,557
<b><u>SUPPLIES INVENTORY MANAGEMENT FUND 715</u></b>						
Bonus Program	0	0	14	12	0	(12)
Materials Management	499	521	521	484	496	12
Transfer from Fund 715 to Fund 110	191	209	209	209	178	(31)
Total Supplies Inventory Management Fund - 715	690	730	744	705	674	(31)
<b><u>COMMUNICATIONS MANAGEMENT FUND 745</u></b>						
City Communications	857	1,004	1,004	983	1,037	54
Bonus Program	0	0	13	13	0	(13)
Transfer from Fund 745 to Fund 110	218	227	227	227	235	8
Total Communications Management Fund - 745	1,075	1,231	1,244	1,223	1,272	49
<b><u>CITY/COUNTY PROJECTS FUND 285</u></b>						
City/County Projects	336	91	91	91	91	0
Transfer from Fund 285 to Fund 110	82	324	182	182	82	(100)
Total City/County Projects Fund - 285	418	415	273	273	173	(100)

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<b>VEHICLE/COMPUTER PROJECT FUND 730</b>						
Total Computer Projects - 730	1	0	0	0	2,000	2,000
<b>TOTAL - GOAL 8</b>	<u><b>52,173</b></u>	<u><b>61,299</b></u>	<u><b>41,283</b></u>	<u><b>40,798</b></u>	<u><b>48,591</b></u>	<u><b>7,793</b></u>
<b>TOTAL APPROPRIATIONS</b>	<b>52,173</b>	<b>61,299</b>	<b>41,283</b>	<b>40,798</b>	<b>61,564</b>	<b>20,766</b>
Intradepartmental Adjustment	<u>3,636</u>	<u>5,225</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>NET APPROPRIATIONS</b>	<u><b>48,537</b></u>	<u><b>56,074</b></u>	<u><b>41,283</b></u>	<u><b>40,798</b></u>	<u><b>61,564</b></u>	<u><b>20,766</b></u>

### REVENUE

There is no significant change in revenue for the General Fund for the Department. The significant sources of revenue continue to be from business registration and record search fees.

The City/County Building Fund (290), Plaza Del Sol Building Fund (292) and Baseball Stadium Fund (691) were moved from the Department of Finance and Administrative Services to the Department of Municipal Development. The revenue for FY/04 and FY/05 are now reported in that department.

Department Generated Fees for Services (\$000's)	ACTUAL FY/03	ORIGINAL BUDGET FY/04	ESTIMATED ACTUAL FY/04	APPROVED BUDGET FY/05	APPR 05/ EST ACT 04 CHG
Business Registration	1,102	1,185	1,185	1,240	55
Records Search Fees	409	310	310	290	(20)
Office Services	41	33	35	35	0
Vendor Registration Fee	23	20	20	20	0
City County Projects Fund - 285	173	173	173	173	0
Rental Income - 290	1,222	1,361	0	0	0
Rental Income - 292	208	0	0	0	0
Baseball Stadium Revenue - 691	705	1,515	0	0	0

### PRIOR YEAR ACCOMPLISHMENTS

#### Accounting:

- Issued the annual Comprehensive Annual Financial Report, (CAFR), within the time frame established by the State Auditor Rule with a significant reduction in the number of findings.
- Installed and completed testing the web-based version of the Human Resources/Payroll system, "Empath", with the assistance of ISD. This version presents a dramatic change in the way the users access the system and includes an employee self-service module.
- Signed up and set up 80% of the top ten vendors to receive payments via ACH funds transfer. Additionally all qualified employees receiving workers compensation now do so electronically.

#### Information Services:

- Processed over \$1,000,000 of on-line water utility payments.

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- Implemented the Web-based Campaign Contributions Reporting System for the October 2003 elections, allowing candidates to report their campaign contributions via the Internet.
- Implemented the Web-based ACH remittance reporting system.
- Implemented the Wireless Internet system at Civic Plaza, SunPort and the Main Library.
- Installed fiber connection from Pino Yards to the Balloon Fiesta Park.
- Completed the proof of concept project for the 311/Community Contact Center project.

### Purchasing:

- Implemented the Procurement Card program with 100% participation by City departments.

### Risk Management:

- Supported and staffed the re-established Executive Safety Committee which has since examined and proposed a modification to the City Operator's Permit program and the accident review process.

### Strategic Support:

- Successfully transitioned the Albuquerque Convention Center to management by a private enterprise company.

### Treasury:

- AA Rating received on Airport bonds. This is an upgrade from Moody's during a time when the airline industry is still depressed from the effects of 9/11/01
- Successfully implemented the Envision receivables system. The estimated FY/04 revenues from accounts billed on Envision are expected to increase by \$542.8 thousand or 13.2% over FY/03.



## PRIORITY OBJECTIVES/COUNCIL DIRECTIVES

**GOVERNMENTAL EXCELLENCE AND EFFECTIVENESS:** GOVERNMENT IS ETHICAL AND ACCOUNTABLE; EVERY ELEMENT OF GOVERNMENT CONTRIBUTES EFFECTIVELY TO MEETING PUBLIC NEEDS.

- Implement an online, web-based business registration application, so that businesses can register, pay their fees, and receive their business registration certificate via the web and convert at least 1% of the businesses to this web-based process by the end of FY/05.
- Implement the next phase of the provisions of Governmental Accounting Standards Board (GASB) Statement No. 34 that requires the presentation of city-wide financial statements prepared on a full accrual basis for governmental and business activities, with the focus on net assets at fiscal year end. This requires that the City's infrastructure assets be measured and a complete inventory of all City assets for all departments be reported by the end of the second quarter, FY/05.
- Complete the implementation of the new utility billing system for water, sewer, and refuse accounts by March 2005.
- Implement the CRM/311 Call Center phase 1; evaluate its impact on the 911 system, 242-COPS, and any other City telecommunications systems linking citizens' requests and City services by May 2005.
- Develop a request for proposals (RFP) for a new enterprise resource planning (ERP) system that will replace the City's old accounting, budgeting, human resources and payroll systems by the end of third quarter FY/05.
- Expand the City's fiber backbone with 4 new links (Comm Center to the Wastewater Treatment Plant, Treatment Plant to City Hall, Treatment Plant to the Foothills Substation, and the Foothills Substation to City Hall) by the end of FY/05.